

Multicoin Capital

Multicoin Capital Management, LLC

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Part 2A of Form ADV: Firm Brochure
March 31, 2023

<https://multicoin.capital/>

This brochure provides information about the qualifications and business practices of Multicoin Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at finance@multicoin.capital. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Multicoin Capital Management, LLC is also available on the SEC’s website www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure does not contain material changes from the prior brochure dated March 31, 2022; however, the document updates Adviser and Fund information to December 31, 2022 and modifies some disclosures to provide additional clarity to investors.

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Item 4. Advisory Business

Multicoin Capital Management, LLC (“**Multicoin**” or the “**Adviser**”) provides investment advisory services to one or more pooled investment vehicles (“**Funds**”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “**1940 Act**”), and whose securities are not registered under the Securities Act of 1933, as amended (the “**Securities Act**”). Multicoin was founded in 2017, and the principal owners of Multicoin are Tushar Jain and Pyahm “Kyle” Samani (the “**Managing Partners**”).

Each Fund invests with a focus on Digital Assets (as defined below), which include blockchain assets, blockchain platforms, crypto networks and the equity or debt securities of companies operating in the Digital Asset economy, as discussed and defined in Item 8 below. The Adviser’s advisory services and investment advice generally focus on (but are not limited to) Digital Assets and the companies operating in the Digital Asset ecosystem and consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring asset performance and monetizing such investments. Investment advice is provided directly to the Funds, both open-end and closed-end, subject to the discretion and control of the applicable general partner, and not individually to the investors in a Fund. Services are provided to a Fund in accordance with the organizational documents of a Fund. Investment restrictions for a Fund, if any, are established in the organizational or offering documents of such Fund and/or side letter agreements negotiated with investors in such Fund (such documents collectively, a Fund’s “**Organizational Documents**”).

As of December 31, 2022, Multicoin managed approximately \$1.363 billion in regulatory assets under management (“RAUM”)¹ on a discretionary basis. The Adviser does not manage assets on a non-discretionary basis.

Item 5. Fees and Compensation

The Adviser receives Management Fees (defined below) from the Funds, and affiliates of the Adviser that serve as general partner to a Fund may receive Incentive Allocations or Carried Interest (each as defined in Item 6, below) from such Funds, as applicable. Management Fees, Incentive Allocations and Carried Interest paid by a Fund are borne by investors in that Fund.

A Fund and/or its portfolio companies may also make other payments to the Adviser or its affiliates for services provided to the portfolio companies, which, in certain circumstances, may reduce the Management Fees payable to the Adviser. Additionally, consistent with each Fund’s Organizational Documents, the Funds bear certain out-of-pocket expenses incurred by the Adviser in connection with the services provided to the Funds and/or their portfolio companies. Further details about such fees and expenses are set forth below.

Management Fees

As compensation for investment supervisory services rendered to a Fund, the Adviser receives

¹ For purposes of RAUM, the Adviser includes the Digital Assets it manages in the RAUM it reports; however, this should not be interpreted as an indication that the Adviser believes that such Digital Assets are securities.

an advisory fee (a “Management Fee”). For Multicoïn’s hedge fund style Funds, the Management Fee is charged monthly in advance and is calculated based on each investor’s capital account balance. For Multicoïn’s private equity and venture capital style Funds, the Management Fee is charged quarterly in advance and is calculated based on each investor’s committed capital or contributed capital to the Fund (fees charged on committed capital and contributed capital may be reduced pursuant the Fund’s Organizational Documents). Management Fees paid by a Fund may also be reduced by other fees or compensation received by the Adviser or its affiliates that relate to such Fund’s activities and investments or by other expenses borne by such Fund as described in more detail below. As a general matter, investors that are charged fees in advance would not require a refund of a fee paid in advance since they would exit the hedge fund at the end of a quarter, which will always coincide with the last day covered by an advanced fee payment – meaning Multicoïn would have earned the fee paid in advance by the time the investor fully exits the fund. However, in the event Multicoïn (1) exercises its discretion to terminate an investor from a private fund intra-fee cycle or (2) liquidates a fund intra-fee cycle, then Multicoïn would remit to the applicable investor any Management Fees paid in advance for each day that Multicoïn did not provide investment advisory services.

For all Funds the Management Fee is deducted directly from the investor’s capital account. The precise amount of, and the manner and calculation of, the Management Fees for each Fund are set forth in a Fund’s Organizational Documents, which are received by each investor prior to investment in a Fund. The fee structures described may be negotiated and/or modified from time to time. In general, the hedge fund style Funds charge a 2% Management Fee and 20% Incentive Allocation, whereas the private equity and venture capital style Funds charge up to a 2.5% Management Fee and either a fixed or variable Carried Interest, in each case as set forth in their respective Organizational Documents.

The Adviser, in its sole discretion, may waive or reduce the Management Fees, Incentive Allocation or Carried Interest (as applicable) of investors in the Funds that are employees of the Adviser or its personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) (collectively, “**Adviser Investors**”). The waiver or reduction of Management Fees, Incentive Allocation or Carried Interest for Adviser Investors will not impact the pro rata allocation of Fund expenses.

In addition, the Adviser and its affiliates may, from time to time, earn fees and other income, including in-kind payments of Digital Assets, from services provided or related to fund investments or in connection with investments or prospective investments, such as advisory fees, transaction fees, directors' fees or any similar fees (collectively, “**Other Fees**”). To the extent the Adviser or its affiliates do receive Other Fees, the Management Fees paid by the Funds will generally be reduced by the full amount of such Other Fees. The amount and manner of the foregoing reductions are set forth in the Organizational Documents of each Fund. Generally, the amount of such Other Fees will not (except in connection with the reductions described herein) be disclosed to investors in the Funds.

Incentive Allocation and Carried Interest Payments

Please see Item 6 below regarding “Incentive Allocation” or “Carried Interest” that the Funds pay depending on the terms of the applicable Organizational Documents.

Expenses

Adviser Expenses

To the extent provided in the Organizational Documents of a Fund, the Adviser bears certain expenses and costs associated with the performance of its services, including expenses related to the Adviser’s overhead, such as office space and utilities, and secretarial, clerical and other personnel, except those referenced below in “Fund Expenses.”

Fund Expenses

Each Fund shall bear all expenses incidental to the organization of such Fund and its general partner, except for any expenses borne by the Adviser. In addition, as set forth in its respective Organizational Documents, each Fund shall generally also bear all ordinary and reasonable costs incurred in connection with operation of such Fund’s business, including: (i) legal, accounting, tax return preparation, audit, tax compliance, regulatory compliance, custodial, appraisal, registered agent and other professional fees and expenses including, without limitation, the fees and expenses of an administrator and other service providers appointed by the Adviser or general partner; (ii) consulting fees and expenses (A) relating to services rendered to the Fund that could not reasonably have been rendered by the general partner or its employees in the ordinary course of their activities or (B) relating to diligence, research, evaluation or targeting of industry verticals, country markets or particular investment opportunities, in each case, including fees with respect to the proposed purchase or sale of investments by the Fund that are not reimbursed by the issuer of such securities or others (whether or not such purchase or sale is consummated); (iii) banking, brokerage, broken-deal, break-up, registration, qualification, finders, depository and similar fees or commissions; (iv) transfer, capital, withholding and other taxes, duties, fees, costs, expenses, liabilities and obligations attributable to acquiring, holding, monitoring, selling or otherwise disposing of fund assets as well as legal and accounting expenses and all other fees, costs, expenses, liabilities and obligations incurred in investigating, finding, evaluating, monitoring, structuring, financing, refinancing, managing, operating, taking public or private, valuing, winding-up, liquidating, dissolving and disposing of investments or investment opportunities; (v) all applicable fees, costs, expenses, liabilities and obligations relating to investment and disposition opportunities for the Fund not consummated; (vi) expenses associated with meetings of the Fund, the partners and any applicable limited partner advisory committee (excluding such committee meetings not requested by the general partner); (vii) insurance premiums, indemnifications, costs of litigation, threatened litigation, settlements and other extraordinary expenses; (viii) costs of financial statements and other reports to partners as well as costs of all governmental returns, reports and other filings, and costs of governmental examinations, audits, reviews, investigations, settlements and similar proceedings; (ix) interest expenses; (x) amounts paid to or for the benefit of portfolio companies other than as capital contributions thereto or in exchange for securities issued thereby; (xi) advertising and public notice costs; (xii) expenses relating to the duties of the partnership representative or the

designated individual; (xiii) costs and expenses associated with the organization and maintenance of investments the Fund makes indirectly through one or more separate conduit, holding or similar entities controlled by, or otherwise affiliated with, the general partner or other investment conduits; (xiv) taxes, fees and other government charges incurred upon the Fund as an entity (other than any such amounts that are attributable to a limited partner); (xv) all fees, costs, expenses, principal, interest, liabilities and other obligations relating to the establishment of and borrowings under any credit facility or other leverage provider, including prime brokers; (xvi) the out-of-pocket expenses incurred in connection with complying with the provisions in any side letters, including any “most favored nations” provisions; (xvii) any costs and expenses associated with the formation, operation, dissolution, winding-up, or termination of any special purpose vehicles formed to facilitate investment in a portfolio company (such as costs and expenses of the type listed in the preceding clauses); and (xviii) expenses related to computer software and/or hardware including those systems related to network node operations.

From time to time, the Adviser or a Fund’s general partner may engage one or more fund administrators or similar service providers to perform certain functions in relation to the Fund, which services may include, among other things: (i) maintaining the register of investors and generally performing all actions related to subscriptions and transfers of Fund interests; (ii) reviewing and, subject to approval by the Fund, accepting subscriptions for Fund interests and accepting payment therefor; (iii) computing monthly or quarterly net asset value for and disseminating the net asset value of the capital accounts in accordance with the applicable Organizational Documents; (iv) performing certain acts related to withdrawals; (v) keeping such books and records as set forth in the applicable administration or other agreement; and (vi) performing certain other services necessary in connection with the administration of the Funds. Fund administrators or similar service providers receive reasonable and customary fees and are reimbursed for all out-of-pocket expenses, which fees and expenses are paid out of the assets of the Funds.

From time to time, the Adviser or the general partner of a Fund may create certain “special purpose vehicles” or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors or for opportunistic investments (“SPVs”). In the event a general partner creates an SPV, consistent with the Organizational Documents of the Fund, the SPV, and indirectly, the investors thereof, typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV. Expenses of the types borne by a Fund but associated with any feeder fund or similar vehicle organized to facilitate the participation of certain investors in a Fund (including, without limitation, expenses of accounting and tax services) may be borne by such Fund.

Co-Investment Vehicle Expenses

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside a Fund may be formed in connection with the consummation of a transaction. In the event a co-investment vehicle is created, the investors in such co-investment vehicle typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The co-investment vehicle generally bears its pro rata portion of expenses incurred in the making of an investment; provided, however, that certain expenses such as research costs and broken-deal

fees may be borne by a Fund without allocation to a co-investment vehicle that was never created and/or funded.

Allocation of Expenses

From time to time the Adviser is required to decide whether certain fees, costs and expenses should be borne by the Funds, on the one hand, or the Adviser on the other hand, and/or whether certain fees, costs and expenses should be allocated between the Funds and other parties. Certain expenses may be the obligation of the Funds and may be borne by the Funds or, expenses may be allocated among the Funds and other entities. In exercising its discretion to allocate fees and expenses, the Adviser may be faced with a variety of potential conflicts of interest. Such allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process.

The appropriate allocation between the Funds, the Adviser and third parties of deal costs are determined by the Adviser and its affiliates in their good faith discretion consistent with the Organizational Documents of each Fund, as applicable.

The Adviser expects that the Funds may participate in certain investments together. The Adviser will determine, in its sole discretion, the appropriate allocation of investment-related expenses incurred in respect of consummated and unconsummated investments and expenses more generally relating to a particular investment strategy, among the Funds participating, or that would have participated, in such investments. The Adviser may choose to allocate certain expenses, if appropriate, on a pro rata basis tied to the amount of the investment made by the Funds. The allocation determination could result in one Fund bearing more (or less) of the expenses than other participants or potential participants in the relevant investments, including, in some circumstances, another Fund. Fund expenses attributable to the Funds, including certain fees and expenses of technology or consultants and costs and expenses of research relating to an investment strategy, will generally be allocated to the Funds in accordance with the Adviser's internal allocation policies and methodologies.

With respect to allocating other expenses among Fund(s), co-investment vehicles, the Adviser and/or third parties, as appropriate, to the extent not addressed in the Organizational Documents of a Fund, the Adviser makes any such allocation determination in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. The Adviser will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by such Fund from that service in any particular instance.

Brokerage Fees

If the Adviser chooses to use a broker-dealer for purposes relating to a particular Fund, such Fund incurs brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

Item 6. Performance-Based Fees and Side-By-Side Management

A portion of the profits of Multicoin's hedge fund style Fund is allocated to the capital account of the Fund's general partner as an "**Incentive Allocation**." The general partner is a related person of the Adviser. Incentive Allocations paid by a Fund are borne by investors in that Fund.

For Multicoin's private equity and venture capital style Funds, the general partner of a Fund is entitled to receive "**Carried Interest**" with respect to each limited partner equal to a percentage of such limited partner's investment profits in respect of such Fund. The general partner is a related person of the Adviser. The Carried Interest is generally paid out of proceeds realized from the applicable investments of each Fund.

Certain investors in the Funds (including Adviser Investors) do not pay Incentive Allocations or Carried Interest.

The payment of different performance-based compensation or the payment at varying rates (including varying effective rates based on the performance of a Fund) may create an incentive for the Adviser to favor one Fund over another by disproportionately allocating time, services or functions to Funds paying more performance-based compensation or by disproportionately allocating investment opportunities to such Funds. Generally, and except as may be otherwise set forth in the Organizational Documents of a Fund, these conflicts are mitigated by contractual provisions and policies and procedures setting forth investment allocation requirements and by periodic compliance reviews by compliance personnel. Please also see Item 11 below regarding allocation for additional information relating to how conflicts of interest are generally addressed by the Adviser.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to one or more Funds as described in Item 4. The Funds are the Adviser's clients (a.k.a. private fund clients). Investment advice is provided directly to the Funds (subject to the direction and control of the general partners of the Funds) and not individually to investors in the Funds. Investors in the Funds are not clients.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Depending upon the applicable Fund, investors are generally either "qualified purchasers" or "accredited investors." As defined in the 1940 Act, qualified purchasers may include, among others, high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities. "Accredited investors" are natural or corporate persons that meet certain threshold qualifications set forth in the Securities Act, and may include knowledgeable employees and other individuals.

The Adviser does not currently have a minimum total size for the Funds, but minimum investment commitments have been established for investors in the Funds. The general partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the Organizational Documents of such Fund.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

Multicoin's Funds principally invest in "**Digital Asset Investments**" (or "**Investments**") which includes Digital Assets and securities or instruments issued by companies or protocols with exposure to the Digital Asset economy. "**Digital Assets**" includes blockchain based assets and tokens, including non-publicly traded digital assets, which includes bitcoin, ether, solana, "altcoins," other present and future cryptocurrencies and tokens, and other present and future instruments related to digital assets and distributed ledger technology generally. Securities or instruments relating to the Digital Asset economy may include equity, convertible debt, warrants, simple agreements for future equity, simple agreements for future tokens, token purchase agreements, as well as other network-based instruments and other investments in the Digital Asset space broadly defined. The Adviser regards the Digital Asset economy broadly, including companies or assets that use or may use blockchain or other distributed ledger technology or other Investments that may presently or in the future involve the Digital Asset economy.

A Fund may also take positions, whether long or short, on margin or otherwise, in financial instruments traded on exchanges or trading venues, including, but not limited to, equity securities and options thereon, exchange traded funds and exchange traded notes, futures, options on futures and swaps. A Fund may periodically maintain all or a portion of its assets in money market instruments and other United States dollar cash equivalents and may not be fully invested at all times; however, the Adviser's investment strategy in the hedge fund is long-biased and generally seeks to have full investment exposure.

The Funds, including the hedge fund, pursue opportunities in illiquid investments and acquire certain assets that the Adviser believes in good faith either lack a readily assessable market value or should be held until the resolution of a special event or circumstance. At the Adviser's discretion, the illiquid investments acquired in the hedge fund may be placed in a "Side Pocket". The removal of those illiquid investments from the Side Pocket is at the discretion of the Adviser based on a variety of factors with no single factor being dispositive.

Material Risks

Set out below is a summary of some of the material risks that a Fund may encounter relating to Multicoin's investment strategies. Before deciding to invest in a Fund, prospective limited partners should consider carefully all of the risk factors and other information in the Fund's Organizational Documents. Any description below is qualified in its entirety by the Organizational Documents. In the event the information in this Brochure differs from the Organizational Documents, investors and potential investors should rely on the Organizational Documents and notify the Adviser of any perceived inconsistencies. Prospective limited partners should refer to the relevant Fund's Organizational Documents for a more detailed discussion of risk factors applicable to each Fund. An investment in any Fund involves a number of significant risks, including the risk of loss of the entire investment made. Prospective investors should also consult with their own financial, tax and legal advisors regarding the suitability of this investment.

Overall Investment Risk.

A Fund's success depends on the Adviser's ability to implement such Fund's investment strategy. Any factor that would make it more difficult to execute timely investments, such as a significant lessening of liquidity in a particular market, may also be detrimental to profitability. No assurance can be given that the investment strategies to be used by the Fund will be successful under all or any market conditions.

The Funds will invest in Digital Assets Investments. The Digital Asset ecosystem is nascent, with significant business, liquidity, regulatory and technological risks, some of which are correlated across investments in the Digital Asset ecosystem and subsectors therein. These risks may result in substantial losses and operational risks to a Fund.

An investment in any Fund is highly speculative, involves a high degree of risk and could result in the loss of part or all of an investment. Therefore, investors should not subscribe to a Fund unless they can bear such a loss. Moreover, there can be no assurance that a Fund's investment objectives will be achieved and investment results may vary materially from one reporting period to the next. Consequently, an investment in a Fund is suitable only for sophisticated investors with substantial other assets who are capable of making an informed independent decision as to the risks involved in an investment in such Fund.

Risks Relating to Digital Assets

General. Investments in Digital Assets are subject to many specialized risks and considerations, including risks relating to (i) technology, (ii) security, (iii) regulation, (iv) user/market acceptance, (v) volatility, (vi) timing, (vii) infrastructure and (viii) liquidity. There can be no assurance that the Adviser's selection of Digital Asset Investments will minimize exposure to these risks.

Development and Acceptance of Digital Assets. While Digital Assets and their networks have been and are experiencing rapid technological development, such development may not continue at its current rapid pace. Digital Assets are loosely regulated, and there is no central marketplace or exchange. Supply may be determined by a computer code or other action, not by a central actor, and prices have been extremely volatile. There can be no assurance that all material vulnerabilities in the technology associated with a particular Digital Asset and its associated networks will be identified and addressed prior to a Fund's investment in such Digital Asset, or prior to incidents that may result in direct or indirect losses to the Fund due to security incidents, network or smart contract failure, or losses of market confidence in the applicable Digital Asset or network. Venues for the centralized or decentralized trading or exchange of Digital Assets for fiat currencies or other Digital Assets ("**Trading Platforms**") continue to be especially susceptible to service interruptions or permanent cessation of operations due to many reasons, including fraud, technical glitches, hackers, malware or governmental regulation or other intervention. In particular, a breach of the security procedures used by a Fund or its third-party custodians, Trading Platforms or over the counter ("**OTC**") counterparties, if any, could result in an uninsured loss of the entirety of the Fund's investment in a Digital Asset.

In their short history, Digital Asset values have experienced extreme price volatility that may continue in the future. Historical price increases in Digital Assets provide no assurance of future results. The value of Digital Assets also will be affected by the worldwide acceptance or rejection of Digital Assets and Digital Asset network technology. In particular, problems with the supply of a Digital Asset, security flaws (or perceived security flaws) with the applicable network or smart contracts deployed thereon, difficulties with converting a Digital Asset to fiat currencies or other Digital Asset, and concerns that Digital Assets may disproportionately facilitate criminal activities or consume excessive amounts of electricity may negatively affect the acceptance, growth and development of Digital Assets. For example, the exchange rate of bitcoin – the most established Digital Asset – into U.S. dollars has been very volatile, including dropping by more than 50 percent in a single day. In general, Digital Assets with lower market liquidity, shorter histories and minimal adoption have been more subject to volatility; a Fund may and often will invest in such Digital Assets. To the extent a Fund holds specific investments in Digital Assets, the value of those investments also may be volatile and subject to impairment, and such investments may lose their entire value.

The growth of Digital Assets in general is subject to a high degree of uncertainty and volatility. The factors affecting their further development, include (i) their continued worldwide growth, adoption and use; (ii) government and quasi-government regulation of the use, creation and offering of Digital Assets, as well as restrictions on and regulation related to the operation of and access to a Digital Asset's network and service businesses relating to Digital Assets; (iii) changes in consumer demographics and public tastes and preferences; (iv) the maintenance and development of the open-source software protocol of a Digital Asset's network, and the design choices therein; (v) the availability and popularity of other forms or methods of buying and selling goods and services, including new means of using Digital Assets; (vi) general economic conditions and the regulatory environment relating to Digital Assets; and (vii) certain negative perception of Digital Assets generally (e.g., tabloid focus of illicit use and/or negative environmental impacts of energy use).

Volatility of Prices. The price of Digital Assets is affected by many factors, including, but not limited to, global supply and demand, the expected future prices, inflation expectations, interest rates, currency exchange rates, fiat currency withdrawal and deposit policies at Trading Platforms, interruptions in service or failures of major Trading Platforms, investment and trading activities of large investors, monetary policies of governments, regulatory measures that restrict the use of cryptocurrencies, global political, economic, or financial events. Drastic or even gradual changes in price of Digital Assets and Digital Asset derivatives could materially affect a Fund. Moreover, the price of Digital Assets may vary between trading venues, and the value of Digital Assets as represented by one or more trading venues utilized by a Fund may be significantly higher or lower than other trading venues. There are many reasons for variation in price between trading venues, including venue structure, supply and demand imbalances, regulatory restrictions based on the domicile of the trading venue (if any), or the trading venue's policies on withdrawal or deposits. A Fund may utilize Trading Platforms, OTC trading counterparties and peer-to-peer counterparties (including, without limitation, through decentralized trading platforms that operate using smart contracts). This variation between trading venues may be either temporary or permanent, and could have a material impact on a Fund. Digital Asset prices are extremely volatile.

The market for Digital Assets is smaller and less liquid than some other assets, and certain Digital Assets such as bitcoin and ether represent a majority of the total crypto market value. A Fund (and other investment vehicles managed by the Adviser) may materially move the market for certain Digital Asset Investments when trading and may not be able to enter or exit positions profitably due to liquidity restrictions. The liquidity of Digital Asset markets may affect a Fund. For all Digital Assets listed on a Digital Asset trading platform, the platform generally has the right to suspend or limit trading under certain circumstances, and such Digital Asset trading platform may cease offering access to certain Digital Assets or trading pairs with limited notice. Digital Asset listings or delistings on large Digital Asset trading platforms may dramatically impact the value of such Digital Assets. Such suspensions, limits or listing events could render certain strategies difficult to complete or continue and subject a Fund to loss. Also, such a suspension could render it impossible for the Adviser to sell its positions and, by extension, provide liquidity to investors.

Recently, some Digital Asset trading platforms have halted or suspended trading in certain Digital Assets or have halted the ability of new traders to join the platform. These actions can result in decreased liquidity in Digital Assets and may result in losses to a Fund if the Adviser is not able to buy and sell Digital Assets in the normal course. In addition, Digital Asset trading platforms (including major trading venues such as MT GOX and FTX) have suffered catastrophic failures that (1) materially impacted trading activity and liquidity in the Digital Asset markets, (2) affected the ability of customers to withdraw their assets, and (3) resulted in the Trading Platform filing for bankruptcy protection. Such a collapse or failure could have material direct and indirect adverse impacts on a Fund.

Risk of Digital Asset Software and Networks. Digital Assets are generally controllable only by the possessor(s) of a private and public key pair relating to the digital wallet that the Digital Asset is held in. To the extent that the private keys used to control a Fund's assets are lost, destroyed, or otherwise compromised (physically or through computer based "hacking"), the Fund may not be able to access the Digital Assets, which would greatly inhibit the Fund's ability to generate positive returns. Typically, Digital Asset networks are open access, open-source networks informally managed by a development team known as the Core Developers, which can propose changes to the network protocols and software. These Core Developers often use online repositories such as GitHub to manage the reference software and clients used on a Digital Asset network.

Any party may propose a change to a Digital Asset network protocol. If proposed changes are widely accepted, it could adversely affect a Fund's positions in a Digital Asset in unexpected ways. Alternatively, if material changes that are not reverse compatible are accepted by a significant, but not overwhelming, percentage of users and miners in the network, a "fork" in the blockchain may result, causing the operation of two separate networks, which may materially impact a Fund, its service providers and its Digital Asset Investments.

Digital Asset transactions are generally irreversible without the consent and active participation from the recipient of the transaction. Once a transaction has been verified and recorded on the Digital Asset network, an incorrect transfer or theft of Digital Assets will not be reversible and a Fund may not be able to seek compensation for such transfers or theft. There is a risk that all of a Fund's Digital Assets could be lost, stolen or destroyed, either accidentally or on purpose. In

addition, Digital Assets and Digital Asset derivatives exchanges may have a socialized loss system or may automatically exit a Fund from certain positions (called automatic deleveraging) without notice.

Trading Platform and Custody Risk. There are risks involved in dealing with the trading venues on which the Funds conducts business. Under certain circumstances, the Digital Assets deposited with a Trading Platform may not be clearly identified as being assets of a Fund, and hence a Fund could be exposed to a credit risk with regard to such a Trading Platform. To the extent that a Trading Platform experiences a significant loss due to hack, negligence or fraud, any Digital Assets held on such Trading Platform may be lost entirely and a Fund may not have recourse against any party. Additionally, non-U.S. Trading Platforms may be unregulated or more lightly regulated than their U.S. counterparts. Additionally, there may be practical or timing issues associated with enforcing a Fund's rights to its assets in the case of an insolvency of any such party. Moreover, a Trading Platform may also file for bankruptcy if it can no longer fulfill its obligations, limiting or eliminating the Fund's access to Digital Assets held on such Trading Platform at the time of the bankruptcy filing (and indefinitely thereafter). In the event of a bankruptcy involving a Trading Platform, a Fund may not recover the full balance of Digital Assets and other funds it may hold on account at such Trading Platform.

A Fund may maintain accounts with Trading Platforms. Unlike other traditional asset classes, Digital Assets are often stored and traded on Trading Platforms without traditional third parties such as prime brokers acting as intermediaries and sources of margin financing. Although the Adviser monitors the Trading Platforms and believes they or their affiliates are appropriate trading venues, there is no guarantee that the Trading Platforms, or any other depositories that a Fund may use from time to time, will not become insolvent or will not be impacted by external or internal bad actors. There is no certainty that, in the event of a failure of a Trading Platform on which a Fund has deposited assets, such Fund would not incur losses due to its assets being unavailable for a period of time or the inability to achieve full recovery through the bankruptcy claims process.

A Fund may also utilize OTC trading counterparties. These OTC trading counterparties do not typically hold assets of their customers (such as a Fund); instead of an account-based business model (like a Trading Platform), OTC desks typically use a transaction-based business model where parties initiate and promptly settle trades. In most Digital Asset OTC transactions, the trading counterparty – not the OTC desk – bears the settlement risk, unlike a delivery vs payment system that may be more prevalent in traditional financial markets. In the event of a settlement failure in a transaction between a Fund and an OTC trading counterparty, the Fund may be exposed to risk of loss.

A Fund may also engage in peer-to-peer transactions, including through decentralized smart contract applications (often referred to as Open Finance, decentralized finance or DeFi). In such transactions, a Fund may be exposed to additional novel risks including smart contract risk and the risk that the Fund may not be able to conduct robust diligence on its counterparties or the other parties engaging with an Open Finance smart contract.

While a Fund may utilize one or more dedicated custodians designed to segregate and respect the ownership of Fund assets from those of the custodian or other custodian customers, there is no

certainty that such a custodian will safekeep the Fund's assets. In the event of loss, the custodian may not maintain sufficient insurance to make whole any loss suffered by a Fund. Finally, it is uncertain whether a court will respect the segregation of assets or the Fund's ownership of the assets held by the custodian for the benefit of the Fund. In such cases, the use of a custodian may include many of the counterparty risks associated with Trading Platforms.

In addition, there have been instances of compromised credentials used to access and instruct Trading Platforms and custodians. In the event credentialed access is compromised – whether it be the Fund's credentials or the Trading Platform's or custodian's systems – a Fund may incur a loss and be unable to reverse any transfers or otherwise seek recompense for the loss from a counterparty or insurance.

A Fund may appoint (directly or through its principal service providers) custodians or sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Fund. A Fund may therefore have a potential exposure on the default of any custodian or sub-custodian and, as a result, many of the protections which would normally be provided to a customer by a U.S. custodian will not be available to a Fund. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy in certain non-U.S. jurisdictions, the ability of a Fund to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy would be in doubt.

Under certain circumstances, where a Fund is unable to utilize a third-party custodian to hold a Digital Asset, to engage in certain services related to a Digital Asset (e.g., staking), or to engage in future portfolio transactions, or where the Adviser or a general partner otherwise deem prudent, a Fund may engage in self-custody through the security practices designed by the Adviser or the general partner. While the Adviser and general partners believe these security practices are well designed, using elements of cold storage, multi-signature wallets and/or multi-party computation, there can be no assurance that a Fund's security practices will eliminate the risk of loss, human error, or system design defects. Under such circumstances, a Fund may not have a claim against any third party to recover any potential losses.

Transaction costs on Trading Platforms, with OTC counterparties and on Digital Asset networks (including Open Finance applications) may be at certain times extremely high due to high demand and relative liquidity. In addition, Digital Assets network may experience disruptions of periods of heavy congestion that delay the ability of parties to transact on the Digital Asset network or with Trading Platforms, OTC counterparties and smart contract applications (e.g., Open Finance). The Adviser seeks best execution, but may be required to pay commissions and transaction costs at rates higher than expected in order to facilitate a Fund's investment objective and may not be able to timely process transactions.

Limited Trading Platforms on Which to Trade. The Funds may trade Digital Assets on a limited number of Trading Platforms (and potentially only a single Trading Platform) either because of actual or perceived counterparty or other risks related to a particular Trading Platform. Trading on a single Trading Platform or through OTC counterparties may result in less favorable prices and decreased liquidity for the Funds and therefore could have an adverse effect on the Funds and the limited partners.

Security. While the Funds may use industry levels of data protection and information assurance internally (using industry best practices for data storage and transmission, the strongest cryptography known and available to the private sector and internal controls on data and communications), at some points during transferring Digital Assets into or out of the Funds' platform, the Funds' platform requires interfacing with outside entities whose methods, practices and standards may be outside of the Funds' control or who may be under the influence of bad actors. Events may occur where the Funds' platform is penetrated by bad actors, which could compromise the Funds' operation or result in loss of Digital Assets, adversely affecting an investment in the Funds.

There exists the possibility that while acquiring or disposing of Digital Assets, the Funds may unknowingly engage in transactions with bad actors who are under the scrutiny of government investigative agencies. As such, the Funds' systems or a portion thereof may be taken off-line pursuant to legal process such as the service of a search and/or seizure warrant. Such action could result in the loss of Digital Assets previously under the Funds' control.

The development team and administrators of a Digital Asset network's source code could propose amendments to the network's protocols and software that, if accepted and authorized, or not accepted, by the Digital Asset network community, could adversely affect the supply, security, value or market share of the Digital Assets, and thus an investment in the Funds. Furthermore, the Funds may be adversely affected by a manipulation of a Digital Asset source code.

Hackers. Hackers or malicious actors may launch attacks to steal, compromise or secure Digital Assets, such as by attacking Digital Asset network source code, exchange servers, third-party platforms, cold and hot storage locations or software, Funds' platform or Digital Asset transaction history or by other means. As the Funds increase in size, they may become a more appealing target of hackers, malware, cyberattacks or other security threats. As a result, the Funds will undertake efforts to secure and safeguard the Digital Assets in its custody from theft, loss, damage, destruction, malware, hackers or cyberattacks, which may add significant expenses to the operation of the Funds. There can be no assurance that such securities measures will be effective. At this time, there is no U.S. or foreign governmental, regulatory, investigative or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen Digital Assets. Consequently, the Funds may be unable to replace missing Digital Assets or seek reimbursement for any theft of Digital Assets, adversely affecting an investment in the Funds.

Reliance on Digital Asset Service Providers. Due to audit and operational needs, there will be individuals who have information regarding the Funds' security measures. Any of those individuals may purposely or inadvertently leak such information. Furthermore, several companies and financial institutions (including banks) provide support to the Funds related to the buying, selling and storing of Digital Assets. To the extent service providers no longer support the Funds or cannot be replaced, an investment in the Funds may be adversely affected.

Intellectual Property Rights Claims May Adversely Affect the Operation of a Digital Asset Network. Third parties may assert intellectual property claims relating to the operation of digital

currencies and their source code relating to the holding and transfer of such assets. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in a Digital Asset's network's long-term viability or the ability of end-users to hold and transfer tokens or coins may adversely affect an investment in the Funds. Additionally, a meritorious intellectual property claim could prevent the Funds and other end-users from accessing the relevant Digital Asset network or holding or transferring tokens or coins, which could force the Funds to terminate and liquidate the Funds' Digital Assets (if such liquidation of the Funds' Digital Assets is possible). As a result, an intellectual property claim against the Funds could adversely affect an investment in the Funds.

Regulatory Status of Cryptocurrencies and other Digital Assets. The overall regulatory environment for Digital Assets remains uncertain. Numerous U.S. federal agencies have asserted whole or partial regulatory authority over Digital Assets, including, but not limited to, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Trade Commission and the Financial Crimes Enforcement Network. Whether and to what extent Digital Assets will be regulated by any existing federal agencies or by new legislation passed by the U.S. Congress is unknown, and the effect on the market value of Digital Assets overall is unknown. Other governmental bodies and regulatory agencies, including those outside the United States, are also creating their own set of regulations relating to, or otherwise banning or restricting, as the case may be, certain Digital Assets, networks, exchanges, practices, service providers, users and others (which may adversely affect or restrict the ability or right to acquire, own, hold, sell, use or exchange (whether for fiat currency or other Digital Assets) Digital Assets), which might further negatively impact the value of Digital Assets. Regulatory activity in any of these areas may restrict the ability of the Funds both to acquire such Digital Assets and to realize the value thereof by restricting the conversion of any such value into U.S. dollar-based assets. Regulatory uncertainty and an increase in enforcement actions may directly or indirectly impact a Fund or its investments, including by increasing the compliance and regulatory burdens on and costs to the Funds.

Digital Assets are not legal tender in the United States of America, and federal, state or foreign governments may restrict the use and exchange of Digital Assets at any time. Digital Assets have attracted the attention of U.S. regulatory agencies, and future regulation is likely. Various jurisdictions have or may, in the near future, adopt laws, regulations or directives that affect Digital Assets and parties that come into contact with such assets. Such laws, regulations or directives may negatively impact the Funds in a variety of ways, including increasing the compliance or regulatory burden of the Funds and its related parties or diminishing the value of the Funds' investments in Digital Assets. To the extent that new regulations are imposed, or regulatory authorities find ways to apply existing regulations to Digital Assets in unanticipated ways, the Funds' investments may be materially adversely affected. Further, the taxation of cryptocurrencies is uncertain in many jurisdictions, and those jurisdictions that have formulated a position have reached varying (and continuously evolving) conclusions. A discussion of varied tax treatments of Digital Assets is outside the scope of this discussion. In addition, due to the unique nature of Digital Asset investments and the difficulty in confirming ownership of such investments, direct or indirect investments in Digital Assets by the Funds could result in delays in the issuance of financial opinions by the Funds' auditors or in the qualification, in whole or in part, of such opinions. To the extent that future regulatory actions or policies limit the ability to exchange Digital Assets or utilize them for payments, the demand for Digital Assets will be

reduced. Furthermore, regulatory actions may limit the ability of end-users to convert Digital Assets into fiat currency (for example, U.S. dollars) or use Digital Assets to pay for goods and services. Such regulatory actions or policies would result in a reduction of demand, and in turn, affect the value of an investor's investment.

In February 2023, the Securities and Exchange Commission proposed a new "Safeguarding Rule" which, if adopted without material amendment, could materially impact the operation of the Funds by limiting the custodial and Trading Platforms available to the Funds, while materially increasing the cost of custodial solutions and increasing regulatory and compliance burdens on and costs to the Funds. The adoption and any amendments to the Safeguarding Rule is uncertain.

Various foreign jurisdictions may adopt laws, regulations or directives that affect Digital Assets and service providers that fall within such jurisdictions' regulatory scope. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of Digital Assets by users, merchants and service providers outside the United States and may, therefore, impede the growth or sustainability of the Digital Asset economy in the European Union, China, Japan, Russia, the United States and globally or otherwise negatively affect the value of Digital Assets.

The regulatory treatment of Open Finance (sometimes called decentralized finance or DeFi) is uncertain in all jurisdictions. Open Finance involves the replication or imitation of certain traditional financial and commercial arrangements (e.g., payments, lending, asset exchange and derivative instruments) through the use of smart contracts, peer-to-peer network and decentralized governance and administration. As most western regulatory bodies seek to regulate financial products through intermediaries and gateway parties, it is unclear how governments will seek to regulate activities in systems that are, by nature, designed to be open, permissionless and nearly devoid of intermediaries or trusted third parties. To the extent that regulatory bodies in the U.S. and other governments bring regulatory actions against parties that develop, deploy or use Open Finance systems, it may impact the Digital Asset Investments of a Fund or the values of Digital Assets generally. The same risks may be true of Web3 protocols that mimic telecommunications and social network infrastructure through the use of decentralized systems, to the extent that analogous traditional systems are subject to government regulation.

To the extent that future regulatory actions or policies limit (i) the ability to exchange Digital Assets or utilize them for payments, (ii) the ability to custody Digital Assets, (iii) the ability to create Digital Assets or develop and deploy smart contracts, (iv) the ability to develop, deploy or use Open Finance or Web3 systems or otherwise limit the use of Digital Assets and Digital Asset network technology, then the demand for Digital Assets will be reduced and the value of an investor's investment will likely be materially adversely affected. The value of Digital Assets could also be impacted by regulatory uncertainty.

Conventional Investment Instruments

Equity Securities. The value of the equity securities held by the Funds are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity

securities are more volatile and riskier than some other forms of investment.

The Funds may engage in Simple Agreements for Future Equity (“SAFE”), which arrangements are contracts for future equity interests at prices established upon the consummation of a qualified priced financing. These SAFEs do not carry the rights and protections of actual equity until such time of conversion.

Option Transactions. The purchase or sale of an option by the Funds involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected so that the option expires worthless and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying investment in excess of the premium payment received.

Exchange Traded Products. A Fund may invest in a type of investment company called an exchange-traded fund (“ETF”). ETFs are a type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. As a relatively new type of security, the trading characteristics of ETFs may not yet be fully developed or understood by potential investors. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

A Fund may also invest in exchange-traded products that are not ETFs, including exchange-traded commodities that represent an interest in a pool of commodities or commodity interests. These products often trade like ETFs, although they lack some of the protections of the Investment Company Act of 1940 applicable to mutual funds and ETFs.

In addition, a Fund may also invest in publicly traded funds that are available through the inter broker system (e.g., the system offered by OTCQX). A number of Digital Asset oriented products such as the Grayscale Bitcoin Trust have been popular ways to achieve Digital Asset exposure through an equity wrapper, although such product has featured substantial premia and then discounts to underlying net asset values and lacks a traditional redemption mechanism.

Exchange Traded Notes. ETNs are senior, unsecured, unsubordinated debt securities whose returns are linked to the performance of a particular market benchmark or strategy minus

applicable fees. ETNs are traded on an exchange (e.g., the NYSE) during normal trading hours.

However, investors can also hold the ETN until maturity. At maturity, the issuer pays to the investor a cash amount equal to the principal amount, subject to the day's market benchmark or strategy factor. ETNs do not make periodic coupon payments or provide principal protection. ETNs are subject to credit risk and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark or strategy remaining unchanged. The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying assets, changes in the applicable interest rates, changes in the issuer's credit rating, and economic, legal, political, or geographic events that affect the referenced underlying asset. When a Fund invests in ETNs, it will bear its proportionate share of any fees and expenses borne by the ETN. A Fund's decision to sell its ETN holdings may be limited by the availability of a secondary market. ETNs are also subject to tax risk. The IRS and Congress are considering proposals that would change the timing and character of income and gains from ETNs. There may be times when an ETN shares trades at a premium or discount to its market benchmark or strategy.

Derivative Investments. Derivatives are financial contracts whose value depends on, or is derived from, an underlying product, such as the value of a securities index. The risks generally associated with derivatives include the risks that: (i) the value of the derivative will change in a manner detrimental to the Funds; (ii) before purchasing the derivative, the Funds will not have the opportunity to observe its performance under all market conditions; (iii) another party to the derivative may fail to comply with the terms of the derivative contract; (iv) the derivative may be difficult to purchase or sell; and (v) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

Derivatives markets can be highly volatile. The profitability of investments by the Funds in the derivatives markets depends on the ability of the Adviser to correctly analyze these markets, which are influenced by, among other things, changing supply and demand relationships, governmental, commercial and trade programs and policies designed to influence world political and economic events and changes in interest rates. In addition, the assets of the Funds are pledged as collateral in derivatives transactions. Thus, if the Funds default on such an obligation, the counterparty to such a transaction may be entitled to some or all of the assets of the Funds as a result of the default. In many cases, a Digital Asset derivative transaction may be a bilateral swap or other transaction (e.g., perpetual futures contract) not cleared through a U.S. regulated clearing facility, which increases the counterparty risk of a derivative transaction and the likelihood of the loss of pledged collateral if a counterparty or Trading Platform files for bankruptcy.

Swaps. Swaps are inherently risky. First, institutions that develop swap contracts have fees that are built into the price, thereby increasing a Fund's exposure to third-party fees. Second, the nature of a swap is that you reduce risk while also reducing a potential upside; that is, hedging would lock a low price in while prices are high, however it would lock in a high price if prices are low. Swaps are also based on financial market prices that might not always track the cost of a product in the real market. Lastly, the biggest risk in a swap is the risk that the party on the other

side of the swap, sometimes referred to as the counterparty, defaults. In such an instance, the swap would essentially be worthless if the counterparty is unable to make the payment.

Futures. Futures markets are highly volatile. Investing in the futures markets involves being able to analyze correctly such markets, which are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, and commercial and trade programs and policies designed to influence commodity prices, world political and economic events and changes in interest rates. Moreover, investments in commodities, futures and options contracts involve additional risks including, without limitation, leverage (i.e., for most CME markets, margin is usually only five percent (5%) to fifteen percent (15%) of the face value of the contract and exposure can be nearly unlimited) and credit risk vis-à-vis the contract counterparty.

Positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract increases or decreases by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Funds from promptly liquidating unfavorable positions and subject it to substantial losses.

Strategy Risks

Lack of Diversification. The Funds’ portfolios will primarily be invested in Digital Assets and are not diversified among other asset classes. Moreover, the hedge fund style fund is not widely diversified (generally 6-12 core assets in the portfolio make up approximately 90+% total exposure - this is subject to change at the discretion of the Adviser and there is no explicit limit on concentration in single assets or groups of correlated assets). Accordingly, the Funds’ respective portfolios may be subject to more rapid change in value than would be the case if the Funds were required to maintain a wide diversification.

Leverage. Subject to the limits set forth in Organizational Documents, the Funds may, at the Adviser’s sole discretion, borrow cash on margin or otherwise to increase the amount of capital available for investment purposes or enter into derivative transactions that have the effect of leveraging its portfolio. The hedge fund style fund has engaged, and is expected to continue to engage, in borrowing and the use of derivatives, although these do not represent core strategies of that fund. The use of leverage would have a material impact on the Funds’ performance, as well as its risk of loss.

Through the utilization of leverage, the Funds may obtain additional (borrowed) capital in an amount significantly greater than the Funds’ actual capital. The actual amount of leverage to be utilized by the Funds, which is likely to vary over time, will be determined by the Adviser in its absolute discretion (subject to any credit limitations imposed by lenders and/or counterparties). Such varying amounts of leverage may be expected to have a material impact on the Funds’ performance, as well as its risk of loss. Leverage may be obtained through borrowings directly from lenders or through derivative instruments. The lender or counterparty on any derivative

instrument may be any entity or institution that the Adviser determines to be creditworthy.

To the extent a Fund purchases assets with borrowed funds, its net asset value will tend to increase or decrease at a greater rate than if borrowed funds were not used, and a relatively small price movement in a position could result in immediate and substantial losses.

A Fund's borrowings typically will be secured by a pledge of its assets to the lenders who have extended the credit. Under certain circumstances, a lender might demand an increase in the collateral that secures the Fund's obligations, and if the Fund was unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy those obligations. For example, if assets pledged to a lender to secure the Fund's margin trading activities should decline in value, the Fund could be subject to a margin call, pursuant to which it must either deposit additional funds with the lender or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. In the event of a sudden precipitous drop in the value of its assets, the Fund might not be able to liquidate sufficient assets quickly enough to meet a margin call. A forced liquidation of assets under these circumstances could have extremely adverse consequences for the Fund.

Lending Digital Assets. The Funds have participated in Digital Assets lending programs offered by certain platforms (including Trading Platforms) to investors seeking to short such Digital Assets or for other uses. Interest will accrue to the Funds until such Digital Assets are replaced. While the Trading Platforms on which the Funds have lent their Digital Assets often require borrowers to post collateral and provide for forced liquidation procedures, there is no assurance that such procedures will prevent the Funds from losing capital in connection with their lending practices.

For any particular loan, and thus for all loans, there are many risks that some or all of the principal and interest may fail to be repaid, including but not limited to:

- the value of the borrower's leveraged position declines so quickly that forced liquidation does not occur quickly enough to preserve some or all of the principal and interest;
- a "flash crash" causes a forced liquidation at a price insufficient to recover some or all of the principal and interest;
- the software systems enforcing forced liquidation do not function correctly or at all;
- the software systems enforcing forced liquidation function correctly but are too slow to preserve some or all of the principal and interest;
- the software systems enforcing forced liquidation are compromised due to an attack or "hack;"
- the exchange purported to enforce liquidation does not do so, for any reason or for no reason at all; and
- the exchange purported to enforce liquidation experiences a disruption of service, is

halted by an investigation, regulatory enforcement, or litigation, or otherwise becomes non-operational.

Short Selling. The hedge fund may engage in short selling as part of its general investment strategy. Short selling involves selling a Digital Asset that is not owned by the hedge fund and borrowing the same asset for delivery to the purchaser, with an obligation to replace the borrowed asset at a later date. Short selling allows the Funds to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the assets. However, because the borrowed assets must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed assets would result in a loss upon such repurchase. The Funds' obligations under its short sales will be marked to market daily and collateralized by the Funds' assets held at an exchange, including its cash balance and its long positions in Digital Assets. Because short sales must be marked to market daily, there may be periods when short sales must be settled prematurely, and a substantial loss would occur. Purchasing assets to close out a short position can itself cause the price of such assets to rise further, thereby exacerbating losses. Short selling exposes the Funds to unlimited risk with respect to that asset due to the lack of an upper limit on the price to which an instrument can rise. Short sales may be utilized to enhance returns and hedge the portfolio. The Funds anticipate that the frequency of short sales will vary substantially during different periods. There are no prescribed limits to the amount of Funds assets that may be subject to short sales.

Illiquidity of Certain Investments. The Funds may acquire interests in future digital tokens through instruments known as simple agreements for future tokens ("SAFTs"), token purchase agreements or other similar agreements for future Digital Assets, which will be subject to significant restrictions on sale and transfer. Such interests and securities will likely not be publicly registered and consequently cannot be freely sold or transferred except in compliance with applicable federal and state securities laws and regulations. Additionally, certain equity securities may be subject to rights of first refusal, lockups and other significant restrictions on transfer imposed by the charters, bylaws, stock or option plans or warrants pursuant to which they were issued by the applicable private company issuer. SAFTs and other purchase agreements may allow private company issuers to grant the Funds options or warrants to acquire interests in future token offerings from the private company issuers upon or following the occurrence of the ultimate development, sale and distribution of a digital token. The timing of receipt of the token by the Funds, including any vesting schedule, will be determined as set forth in the purchase documentation or in the sole discretion of the private company issuer offering the SAFT. Such significant restrictions on and impediments to transfer could significantly reduce the value of the underlying interest or securities and could materially and adversely affect the Funds' ability to monetize or foreclose upon such interests or securities, significantly reducing the amount that the Funds could realize from any such actions. Such restrictions on the sale or transfer of these interests or securities could have a material adverse effect on their value, which could materially and adversely affect the value of the Funds' investments and in investor's investment.

The Adviser Methodology. Trading decisions of the Adviser are on a discretionary basis using fundamental and technical analysis, as well as automated artificial intelligence systems, and no assurance can be given that such trading strategies used by the Adviser will be successful or that losses could not occur. In entering orders into the Funds' accounts, the Adviser will use market,

limit, stop and other qualified orders if, in its judgment, that appears appropriate under given market conditions. Moreover, when trading, the Funds also may rely upon Time-Weighted Average Price (TWAP), which is an algorithmic trade execution strategy that aims to achieve an average execution price close to the time weighted average price of the user-specified period. A TWAP strategy is often used to minimize a large order's impact on the market by dispersing the large order into smaller quantities and executing them at regular intervals over time; however, a TWAP strategy will not guarantee execution or pricing that is more optimal than other trading strategies. In addition, when liquidating a position, the Adviser may place a reversal order, (i.e., the current position is liquidated, and an opposite one is established).

Before making investments, the Adviser will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Adviser may be required to evaluate important and complex business, financial, tax, accounting, and legal issues. When conducting due diligence and making an assessment regarding an investment, the Adviser will rely on the resources available to it, which in some circumstances, whether or not known to the Adviser at the time, may not be sufficient, accurate, complete, or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment.

OTC Transactions. It is possible that the Funds may engage in transactions involving instruments traded on OTC markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Funds to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the Funds engage in trading on OTC markets, the Funds could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Lack of Hedging. Due to the nature of the Funds' respective investment approach, it may not be possible for the Adviser to – and the Adviser does not generally intend to materially – hedge some or all of a Fund's positions. As a result, a Fund is generally long Digital Assets with all the risks that such a position entails.

Restricted Investments. Investments acquired by the Funds may also entail promises to sell within, or hold for, a specified time period or other transfer restrictions. As a result, the Funds may be forced to sell an investment at an inopportune time or hold an investment at times where it would otherwise be advantageous to sell.

Investments Outside of the United States. The Funds have invested in non-United States portfolio companies. Such investments may present a variety of risks not presented by investments in United States portfolio companies, including risks associated with: (i) fluctuating currency exchange rates; (ii) limitations on currency exchange or the transfer of capital/profits across international boundaries; (iii) different accounting and financial reporting standards; (iv) different legal protections for investors; (v) unusual regulatory burdens; (vi) social, economic, and political instability; (vii) nationalization or expropriation of assets or confiscatory taxation;

(viii) governmental decisions to discontinue support or economic reform programs generally and to impose centrally planned economies; (ix) dependence on exports and the corresponding importance of international trade; (x) greater price fluctuations and market volatility, less liquidity, and smaller capitalization of securities markets; (xi) higher rates of inflation; (xii) less extensive regulation of the securities markets, (xiii) longer settlement periods for securities transactions; (xiv) less developed corporate laws regarding fiduciary duties and the protection of investors; and (xv) multiple taxing jurisdictions. Even those Investments that nominally are United States portfolio companies by virtue of their jurisdiction of organization or management headquarters may be exposed to significant non-United States risks due to the increasingly international nature of many companies that (i) rely upon international location or outsourcing of research, development, manufacturing, or other operations; (ii) seek alliances with non-United States partners; or (iii) seek non-United States customers. Any adverse change to the political, economic, military, or social environments in the host countries of the Funds' portfolio companies or other Investments could have a significant adverse effect upon the operations or financial performance of the Funds.

Management Risks

Reliance on the general partner and no authority by investors. All decisions regarding the management and affairs of the Funds will be made exclusively by the general partner. Accordingly, no person should invest in the Funds unless such person is willing to entrust all aspects of management of the Funds to the general partner. Investors will have no right or power to take part in the management of the Funds. As a result, the success of the Funds for the foreseeable future depends solely on the abilities of the general partner.

Dependence on Key Personnel. The general partner is dependent on the services of the Managing Partners and there can be no assurance that it will be able to retain the Managing Partners. The departure or incapacity of the Managing Partners could have a material adverse effect on the general partner's management of the investment operations of the Funds.

Proprietary Nature of Investment Strategy. All documents and other information concerning the Funds' portfolios of investments will be made available to the Funds' auditors, accountants, attorneys and other agents in connection with the duties and services performed by them on behalf of the Funds. However, because the Adviser's investment techniques may be proprietary, the Organizational Documents will provide that neither the Funds nor any of its auditors, accountants, attorneys or other agents will disclose to any person, including investors in the Funds, any of the investment techniques employed by the Adviser in managing the Funds' investments or the identity of specific investments held by the Funds at any particular time.

Cyber Security Breaches and Identity Theft. The Funds, the Adviser, the general partners and their service providers, including Trading Platforms, custodians and their affiliates (and even Digital Asset networks themselves), may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information, unauthorized asset transfers and various other forms of cybersecurity breaches. Cyber-attacks affecting the Funds, the Adviser, the general partners and their service providers and Trading Platforms may adversely impact a Fund. For

instance, cyber-attacks may interfere with the processing or execution of Fund transactions, cause the release of confidential information, including private information about investors, subject a Fund, the Adviser or their affiliates to regulatory fines or financial losses, or cause reputational damage. Additionally, cyber-attacks or security breaches (e.g., hacking or the unlawful withdrawal or transfer of funds) affecting any of the Fund's key service providers, such as the Adviser, Trading Platforms, custodians or other counterparties holding assets of a Fund, may cause significant harm to the Fund, including the loss of capital. Similar types of cybersecurity risks are also present for the development teams that create Digital Assets in which the Funds may invest. These risks could result in material adverse consequences for such development teams or their Digital Asset and may cause the Fund's investments in such Digital Asset to lose value.

Other Risks

Risk of Loss. An investor could incur substantial, or even total, losses on an investment in the Funds. An investment in the Funds is only suitable for persons willing to accept this high level of risk.

Side Pocket Investments. The hedge fund style Fund may invest part of their assets in investments that the Adviser believes either lack a readily assessable market value or should be held until the resolution of a special event or circumstances ("**Side Pocket Investments**"). New investors would not have exposure to Side Pocket Investments that were created prior to their admission as a limited partner of the hedge fund style Fund. The hedge fund style Fund may not be able to readily dispose of Side Pocket Investments, and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. The removal of Side Pocket Investments from the Side Pocket is not solely triggered by the removal of transfer restrictions or liquidity of the asset, instead the removal is at the discretion of the Adviser upon weighing a variety of factors of which no single factor will be dispositive. For accounting purposes, Side Pocket Investments and other assets and liabilities for which no readily assessable market price is available will generally be carried on the books of the Funds at fair value. There is no guarantee that fair value will represent the value that will be realized by the Funds on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. A withdrawing investor with an interest in a Side Pocket Investment will not receive any amount in respect of such interest until the related Side Pocket Investment is realized or deemed realized.

In-Kind Distributions. For some Funds, a withdrawing investor may, in the sole discretion of the general partner of the Fund, receive financial instruments or Digital Assets owned by the Fund in lieu of, or in combination with, cash payments. In addition, a Fund may initiate a distribution of financial instruments or Digital Assets on an in-kind basis. The value of financial instruments or Digital Assets distributed may increase or decrease before such financial instruments or Digital Assets can be sold and the investor will incur transaction costs in connection with the sale of such financial instruments or Digital Assets. Additionally, financial instruments or Digital Assets distributed by a Fund to an investor may not be readily marketable. The risk of loss and delay in liquidating such financial instruments or Digital Assets will be borne by the Investor, with the result that such investor may receive less cash than it would have received on the date of withdrawal or distribution, as applicable.

Pseudonymous Transactions on Digital Asset Networks. The Digital Asset networks in which the Funds may participate and through which some of its investments are expected to be made are typically permissionless, meaning that any party may access these networks and Digital Assets transacted thereon. In addition, Open Finance systems in which a Fund may invest and/or use are also typically permissionless.

As a result, although Digital Asset network transactions are typically logged in a transparent, distributed ledger, there is a risk that counterparties on a Digital Asset network (including a Fund) may not be able to conduct due diligence and know your customer checks on counterparties, or that any due diligence performed may not detect illicit activity by counterparties. To the extent that parties utilize a Digital Asset network, Digital Asset service provider or a smart contract application, they may engage on the same network, platform or application as a party that is engaging in illicit use. Such cohabitation may result in penalties to counterparties, the seizure or “taint” of Digital Assets or more direct penalties. The Funds’ processes (including diligence and the use of regulated service providers and Trading Platforms) may be insufficient to reduce exposure to such risks or to identify Digital Asset networks, smart contract applications or service providers and Trading Platforms exposed to such risks.

Digital Assets held by the Funds are not Subject to FDIC or SIPC Protections. The Funds are not banking institutions or otherwise members of the Federal Deposit Insurance Corporation (“FDIC”) or Securities Investor Protection Corporation (“SIPC”) and, therefore, deposits held with or assets held by the Funds are not subject to the protections enjoyed by depositors with FDIC or SIPC member institutions. The undivided interests in the Funds’ Digital Assets represented by the investor’s interests are not insured directly by the Funds or the general partner. The custodians and Trading Platforms and counterparties with whom the Funds engage are not typically FDIC or SIPC member institutions. Private insurance offered by the custodians, Trading Platforms and other counterparties with whom the Funds engage may be insufficient in the event of a catastrophic loss by such custodians, Trading Platforms or other counterparties. As a result, in the event of a loss of Fund assets, a Fund may not be compensated through claims against a third party or insurance programs utilized by such parties.

Banks May Refuse to Provide Continued Banking Services to the Digital Asset Ecosystem. While the Funds have established a relationship with a bank to open an account, a number of funds and other companies that hold or otherwise deal in cryptocurrency have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such entities have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing cryptocurrency-related services. This could decrease the price of Digital

Assets and therefore adversely affect an investment in the Funds. Furthermore, there is no guarantee that the Funds' bank will maintain its current policy on cryptocurrency-related services, which could have a materially negative effect on the Funds.

In addition, banking access remains a significant issue for the Digital Asset related service providers used by portfolio companies of the Funds, and the portfolio companies themselves. To the extent Digital Asset-related companies, including, without limitation, Trading Platforms, have difficulty developing secure banking relationships, the Digital Asset economy generally, and portfolio investments, in particular, may be materially harmed.

In 2023, the liquidation, failure, closure and/or acquisition of Silvergate Bank, Silicon Valley Bank, Signature Bank and Credit Suisse exposed a number of business accounts to potential uninsured losses as a result of risk management failures at banks and the widespread practice of keeping company treasuries in accounts in excess of FDIC limits. In the event that bank contagion continues, it is possible that a company in which a Fund invests could experience a major loss that is either uninsured or not subject to a FDIC coordinated backstop. Such an event could result in a material diminution of the value of a Fund investment.

Side Letters. The general partner (or Adviser) has entered into agreements with certain limited partners that will result in different terms of an investment in the Funds than the terms applicable to other limited partners. As a result of such agreements, certain limited partners may receive additional benefits which other limited partners will not receive (e.g., additional information regarding the Funds' portfolio, different withdrawal terms, reduced Management Fees or reduced Carried Interest). The general partner or Adviser will not be required to notify the other limited partners of the existence of any such agreements or any of the rights and/or terms or provisions thereof, nor will the general partner or Adviser be required to offer such additional and/or different terms or rights to any other limited partner.

General Economic and Market Conditions. General economic or market conditions can adversely affect the performance of the investments made by a Fund. Factors affecting economic conditions, including, for example, public market volatility, inflation rates, rising interest rates, currency devaluation, availability of credit, exchange rate fluctuations, economic uncertainty, industry conditions, competition, technological developments, domestic and worldwide political, military and diplomatic events and trends and innumerable other factors, none of which will be in the control of a Fund or the Adviser can substantially and adversely affect the business and prospects of a Fund. A general economic downturn could also result in the diminution or loss of value of the investments made by a Fund due to a number of factors, including a reduced demand for the assets held by the Funds, and/or products or services produced by a Fund's investments. In addition, a downturn or contraction in the economy or in the capital markets, or in certain industries or geographic regions thereof, may restrict the availability of suitable investment opportunities for a Fund and opportunities to liquidate a Fund's investments on favorable economic terms, each of which could prevent a Fund from meeting its investment objectives.

Epidemics, Health Risks and COVID-19. The outbreak of the novel COVID-19 or "coronavirus" across the globe caused significant changes to global commercial activity, contributed to significant volatility in financial markets, and caused many to fear a potential United States

and/or global recession and significant loss of employment. The global impact of the outbreak continues to evolve, and cases of the virus continue to be identified around the globe. , At this time, many countries have begun to relax or eliminate significant restrictions on group gatherings, and restrictions and prohibitions on travel. Such actions were creating disruption in the global economy and supply chains, and adversely impacting a number of industries, including retail, transportation, hospitality, office, multi-family, senior housing and entertainment. Although the impact of COVID-19 continues to be felt in different ways, we cannot predict what impact, if any, it may continue to have in the future. Similarly, there is always a risk of another epidemic that will curtail personal and economic activity having a material adverse impact on economic and market conditions and trigger - another - period of global economic slowdown. What is clear at this time, however, is that both the coronavirus and any new distinct epidemic each present material uncertainty and risk with respect to a Fund's prospects, performance and financial results.

United States Monetary Policy. In response to the global financial crisis in 2008, the Board of Governors of the U.S. Federal Reserve System (the "Federal Reserve") and certain non-U.S. central banks acted to hold interest rates to historic lows in addition to taking other governmental actions to stabilize markets and seek to encourage economic growth. In the last year, many of these actions have ceased or slowed significantly, and the Federal Reserve elected to aggressively increase interest rates throughout 2022. These and other actions by the Federal Reserve and such other central banks, including changes in policies, may continue to have a significant effect on interest rates and on the U.S. and world economies generally, which in turn may affect the performance of a Fund's investments on an absolute and/or relative basis.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in a Fund. The Organizational Documents of each Fund include a more comprehensive and specific explanation of Fund operations and risk factors. Investors and prospective investors should consult with their own advisors before deciding whether to invest in a Fund. In addition, as the Funds' respective investment programs develop and change over time, an investment in a Fund may be subject to additional and different risk factors.

Item 9. Disciplinary Information

Item 9 is not applicable to the Adviser.

Item 10. Other Financial Industry Activities and Affiliations

Multicoïn and its management persons are not registered, and do not have any application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor or an associate of the foregoing entities. Multicoïn and the hedge-fund style Fund have filed certain notices of exemption from registration with the National Futures Association.

Limited liability companies that are affiliates of the Adviser serve as general partners of the Funds. For a description of material conflicts of interest created by the relationship among the Adviser and the Fund's general partners, as well as a description of how such conflicts are

addressed, please see Item 11 below.

As noted in Item 6, these relationships may create an incentive for the Adviser to make investments that are riskier or more speculative than if Multicoin affiliates did not receive incentive compensation from the Funds.

Additional conflicts of interest created by the relationship among the Adviser and the general partners are described in Item 8.

The Adviser participated in the formation of the Ball Multicoin Bitwise Multiverse Index (the “**Index**”), an index of Digital Assets related to multiverse endeavors on which financial products may be (and a fund offered by Bitwise Asset Management is) offered. The Adviser is not the operator of the Index, the sponsor of the Bitwise fund or the provider of financial advice in respect of the foregoing; the Adviser contributed intellectual property to the creation of the Index and has a non-controlling voting seat on the Index’s index committee. The Funds do not benefit from the Adviser’s participation in the Index and the Index may include certain Digital Assets that are also owned by a Fund. The conflicts of interest created by this arrangement are addressed further in Item 11, below.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The Adviser maintains a written Code of Ethics that is applicable to all of its officers, directors, principals, members, and employees (collectively, “**Adviser Personnel**”) other than certain employees that have been exempted after review of their responsibilities and access to information and a determination that their role is unrelated to investment advisory activity or direct operational support of such activity.

The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, including Digital Assets, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are required to file certain periodic reports with the Adviser’s Chief Compliance Officer (“**CCO**”) as required by Rule 204A-1 under the Advisers Act. In addition, the Adviser uses software platforms for the monitoring of Adviser Personnel investments, certifications and reporting deliverables. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest. Adviser Personnel are also required to promptly report any suspected or actual violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon written request to the contact information provided on the first page of this brochure or by email to finance@multicoin.capital.

Resolution of Conflicts of Interest

The Adviser's policy seeks to identify and resolve conflicts of interest in the best interests of the Funds and their underlying investors. In the case of all conflicts of interest, the Adviser's determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Adviser's best judgment, but in its sole discretion. In resolving conflicts, the Adviser may consider various factors, including the interests of the applicable Funds with respect to the immediate issue and/or with respect to their longer-term courses of dealing.

To the extent possible, the Adviser seeks to resolve potential conflicts of interest in such a way so as to prevent the potential conflict of interest from becoming an actual or apparent conflict of interest.

Where conflicts of interest that involve the Adviser or Adviser Personnel on one hand, and one or more Funds or their underlying investors on the other hand, the Adviser seeks to resolve potential conflicts of interest in a way that favors the interests of the Funds or their underlying investors over the interests of the Adviser or Adviser Personnel.

In some instances, conflicts of interest may arise between clients or investors. Multicoïn will seek to resolve these conflicts in a way that is as fair and reasonable for all affected parties, even if the ultimate resolution could nevertheless disadvantage or appear to disadvantage one or more of the parties to some extent.

While the Adviser endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions. The material conflicts of interest encountered by the Funds include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by the Funds. Other conflicts may be disclosed throughout this brochure and the applicable Funds Organizational Documents and the brochure and such Organizational Documents should be read in their entirety for other conflicts.

Participation or Interest in Client Transactions

Certain employees and affiliates of the Adviser invest in and alongside the Funds, either through the general partner or as direct investors in a Fund or otherwise. A Fund or its general partner, as applicable, may reduce all or a portion of the Management Fee, Incentive Allocation or Carried Interest related to investments held by such persons.

The Adviser, its affiliates and its employees also engage, and in the future may engage, in a broad spectrum of activities, including direct investment activities (including trading in Digital Assets and alternative currencies outside of client portfolios) and investment advisory activities, and have extensive investment activities (including investments for their own account) on behalf of both persons or entities to which they provide investment advice on a principal basis that are independent from the activities of the Funds, and may from time to time conflict with or be adverse to advice given or action taken for clients, including by buying or selling Digital Assets at different times than clients, or when a client is doing the opposite. These activities may adversely affect the prices and availability of other securities or instruments held by or

potentially considered for one or more clients.

The Adviser, its affiliates, and members, officers, principals and employees of the Adviser and its affiliates from time to time buy or sell Digital Assets or other potential Investments that the Adviser may have recommended to a Fund, or in other assets that are otherwise suitable for investment by a Fund. Officers, principals and employees of the Adviser may also buy securities or Digital Assets in transactions offered to but rejected by Funds. A conflict of interest may arise because such investing Adviser Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of a Fund. In such circumstances, the investing Adviser Personnel will not share or reimburse the Funds and/or the Adviser for any expenses incurred in connection with the investment opportunity.

In addition, Adviser Personnel may also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds and/or which may invest in similar industries and sectors as the Funds – these private placements (limited offerings) are subject to pre-approval by the firm's CCO. Such Adviser Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same investments as the Funds and there may be situations in which such investment vehicle purchases an investment from, or sells an investment to, a Fund. Such Adviser Personnel may be incentivized to cause a Fund to act in a manner that benefits such other investment vehicles and indirectly themselves as investors in such investment vehicles. The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics and investors will not benefit from any such investments. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. If Adviser Personnel have made large capital investments in or alongside the Funds, they will have conflicting interests with respect to these investments. In addition, Funds from time to time invest in Digital Assets or securities of companies in which Adviser Personnel previously invested for their own accounts; all Adviser Personnel disclose personal holdings to better allow the Adviser to identify conflicts of interest that arise due to these prior holdings. While the significant interests of the Adviser Personnel generally align the interest of such persons with the Funds, such persons may have interests that substantially differ from the Funds' interests due to differences in liquidation preference, voting rights or other investment terms. This may result in such persons having personal investment interests that directly conflict with the interests of the Funds. Moreover, Adviser Personnel may enter into non-competition or similar agreements that effectively preclude the Funds from taking advantage of certain investment acquisition or disposition opportunities or otherwise adversely impact the Funds.

Adviser Personnel also invest in the Funds. Such Adviser Personnel may be in possession of information relating to the Funds that is not available to other investors and prospective investors. The Adviser Personnel are not required to keep any minimum investment in each Fund and may invest in other Funds. It is expected that, if such investments are made, the size and nature of these investments may change over time without notice to the investors. Investments by the Adviser Personnel in the Funds could incentivize the Adviser Personnel of the Adviser to increase or decrease the risk profile of the Funds.

Adviser Personnel in certain cases have served as directors of or observers on boards with

respect to certain portfolio companies or related entities or foundations. Conflicts of interest may arise in the event that such Adviser Personnel's fiduciary duties as a director conflicts with those of the Adviser to the Funds. For instance, such positions could impair the ability of a Fund to sell the securities of an issuer in the event Adviser Personnel serving as directors receive material non-public information by virtue of their role(s), which would have an adverse effect on the Fund. Furthermore, Adviser Personnel serving as a director to a portfolio company owe a fiduciary duty to the portfolio company, on the one hand, and the relevant Fund, on the other hand, and such Adviser Personnel may be in a position where they must make a decision that is either not in the best interest of the Fund or is not in the best interest of the portfolio company. Adviser Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Fund investing in the portfolio company. In addition, to the extent Adviser Personnel serve as a director on the board of more than one portfolio company, such person's fiduciary duties among the two portfolio companies may create a conflict of interest. Certain decisions made by a director may subject the Adviser, its affiliates or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify the Adviser and Adviser Personnel from such claims. In addition, Adviser Personnel have left the employment of the Adviser or its affiliates and become an officer or personnel of a portfolio company.

The Adviser has established policies and procedures designed to identify, monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code of Ethics, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar Digital Asset Investments made at or about the same time as client trades. The Adviser utilizes software-based platforms to administer and monitor pre-approval, tracking and certifications of, and restrictions on, personal trading of Adviser Personnel.

Co-Investments

The Adviser has offered co-investments in the past and may, in its discretion, offer co-investments again in the future. Accordingly, the Adviser and its affiliates may, from time to time, offer one or more investors or potential investors in the Funds and/or other third-party investors the opportunity to co-invest with the Funds in particular investments. The Adviser and its affiliates are not obligated to arrange co-investment opportunities, and no investors will be obligated to participate in such an opportunity. The Adviser and its affiliates have sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular investor and may allocate co-investment opportunities instead to investors in other Funds or accounts or to third parties. If the Adviser determines that an investment opportunity is too large for the Funds, the Adviser and its affiliates may, but will not be obligated to, make proprietary investments therein. The Adviser or its affiliates may receive fees and/or allocations from co-investors, which may differ as among co-investors and also may differ from the fees and/or allocations borne by the Funds.

In addition, co-investment vehicles may be formed to make investments alongside a Fund. In such cases, the co-investment vehicle may have a priority right to make co-investments in some

or all of the investments made by such Fund. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors. Subject to any investment allocation procedures or other specific agreements with investors, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity, and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities; (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors; (iii) co-investment opportunities may, and have been offered to some and not other investors in a Fund, in the sole discretion of the Adviser or its related persons and investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger or smaller capital commitments to such Fund; and (iv) certain persons other than investors in a Fund (e.g., another Fund, Adviser Investors, funds managed by another investment adviser in which the Adviser's managing members have an ongoing role, consultants, joint venture partners, persons associated with an Investment and other third-parties, including persons who the Adviser believes will provide a benefit to a Fund and/or one or more portfolio investments or who provide a strategic sourcing or similar benefit to the Adviser, a Fund, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise) rather than one or more investors in a Fund, will, from time to time, be offered co-investment opportunities in the sole discretion of the Adviser or its related persons.

Investment Related Conflicts

Certain Funds may hold investments in Digital Asset-related companies, while Funds hold Digital Assets related or correlated to the activities of such Digital Asset-related companies. Conflicts of interest may arise in that the Adviser may be incentivized to purchase (and not divest) Digital Assets developed by blockchain technology companies in which certain Funds invest.

In the event the Adviser determines that a primary or secondary market purchase of Digital Assets or any other Investment is appropriate for more than one Fund, the Adviser will allocate participation in such opportunity based on the allocation policies of the Adviser. The Adviser will generally consider, among other factors, the investment mandate of the applicable Funds; the available capital and existing portfolio weightings for such Funds; the stage, liquidity and risk/return profile of the Investment opportunity; and the total available investment opportunity for the Funds. In addition, the Funds may, from time to time, have the opportunity to acquire both securities of a Digital Asset-related company and a related or correlated Digital Asset through primary or secondary market purchase opportunities or vice versa; in some cases, these investment opportunities may be follow-on investments. In such cases, investment opportunities in such token offerings of Digital Assets will be allocated among the applicable Funds in a manner that is fair and equitable; however, there can be no assurance the Funds will be allocated all opportunities that fall within their investment objectives or that such allocations will be proportional. The Adviser will have no obligation to purchase or sell an Investment for, enter into a transaction on behalf of, or provide an investment opportunity to, a Fund solely because the Adviser purchases or sells the same Investment for, enters into a transaction on behalf of, or provides an opportunity to, another Fund, if in its reasonable opinion, such Investment,

transaction or investment opportunity does not appear to be suitable, practicable or desirable for such Fund.

The Adviser is subject to differing compensation arrangements for the Funds, and, as a consequence, the Adviser may be incentivized to take action with respect to investments held by the Funds in order to maximize its compensation from one Fund over another.

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company or Digital Asset in which another Fund has previously invested. In addition, a Fund may participate in re-leveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or Digital Asset or purchasing securities or Digital Assets with terms that are more or less favorable than the prevailing market terms.

The Adviser from time to time causes a Fund to purchase Digital Assets developed by, offered by or otherwise related to portfolio companies of one Fund or another Fund. The Adviser may be incentivized to purchase (and not divest) Digital Assets developed by, offered by or otherwise related to portfolio companies of one Fund, which raises a conflict of interest in that such arrangement may be more advantageous for the applicable portfolio company than to another Fund that is investing in the Digital Assets.

The Adviser participated in the formation of the Index and has a non-controlling voting seat on its index committee. The Adviser receives revenue share from the license and marketing agreement it has with the Index's provider; the Funds do not benefit from this agreement or revenue share. While the Adviser is not an investment adviser or financial service provider in respect of the Index or any party offering a product relating thereto, conflicts of interest may arise because of the overlap of Digital Assets that may be included in the Index and the portfolios of the Funds. The Adviser seeks to mitigate the impact of such conflicts of interest by contractually limiting the contributions of the Adviser to the Index construction and the Adviser's ability to influence control over use of the Index. While the Adviser is a fiduciary to the Funds, it has contractually limited duties and obligations in respect of the Index.

The Adviser may be subject to conflicts relating to its selection of Digital Asset intermediaries, trading platforms and counterparties on behalf of the Funds. Fund portfolio transactions will be allocated to intermediaries, exchanges and counterparties on the basis of numerous factors and not necessarily lowest pricing. Intermediaries, exchanges and counterparties have at times provided other services that are beneficial to the Adviser, other Funds, or other vehicles managed by the Adviser but may not be the most cost-effective solution for a particular Fund.

The Adviser, its affiliates and certain clients have invested in or established Digital Asset trading platforms or other Digital Asset service providers, including businesses that focus on storage, security and custody of Digital Assets. The Adviser has caused and expects in the future to cause one or more clients to transact with such affiliated service providers. Such affiliated service

providers receive compensation when effecting Digital Asset transactions on behalf of certain clients.

Conflicts of interest may arise from the fact that any service provider to a client (“**Service Provider**”) or any affiliate of a Service Provider may provide services to, or have business, financial, personal or other relations with (i) other private funds with investment programs similar to that of the Adviser or (ii) the Adviser or any of its affiliates. Certain Service Providers or affiliates of Service Providers are investors in the Funds, a source of investment opportunities or a co- investor or commercial counterparty or entity in which the Adviser has an investment.

In-Kind Distributions

A Fund has made in-kind distributions of Digital Assets and the venture style Funds are expected to make in-kind distributions in the future. The Funds are permitted to make distributions in kind that could consist of investments (including securities or Digital Assets) for which there is no readily available public market or securities of entities unable to meet required interest or sinking fund payments. The investments distributed in kind will generally be valued by a general partner at what it deems their “fair market value,” and this valuation will be conclusive for various purposes, including for the calculation of any Management Fee, Incentive Allocation or Carried Interest. Distributed investments may be subject to a variety of legal or practical limitations on sale. Such investments may experience periods of limited liquidity, price volatility or a decline in market value. The ability of investors to liquidate positions in such investments is subject to these risks, and investors must be prepared to hold such investments for an extended period of time. The value of the investments distributed may increase or decrease before such investments are sold, and such investor will incur transaction costs in connection with the sale of any such investments. The risk of loss and delay in liquidating these investments will be borne by the investors, with the result that such investors may ultimately receive less cash than it would have received if it had been paid in cash. The Adviser or a general partner may also cause distributions of an investment from one Fund and not for another Fund that holds a similar position; this disposition may result in a circumstance where investors in one Fund have greater liquidity in or control over a distributed investment than the investors in a Fund that has not distributed such investment.

Valuation

The Funds’ assets and liabilities are valued in accordance with the Adviser’s valuation policy and the terms of the applicable Organizational Documents. In making valuation determinations, the Adviser may be deemed subject to a conflict of interest, as the valuation of such assets and liabilities affects its compensation and the compensation of a general partner. There is no guarantee that the value determined with respect to a particular asset or liability by the Adviser will represent the value that will be realized by the Funds on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment and the differences could be material. The valuation of investments will affect the amount and timing of the Adviser’s Management Fee or a general partner’s Incentive Allocation or Carried Interest. The valuation of investments may also affect the ability of the Adviser to raise a successor fund to the Funds. As a result, there may be circumstances where a general partner is incentivized to determine valuations that are higher or lower than the actual fair value

of investments.

Other Conflicts

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in “miles” or “points” or credit in loyalty/status programs to the Adviser and/or its personnel, and such benefits, rewards and/or amounts (whether or not de minimis or difficult to value) will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service may be borne by the Funds, its investors and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies. In addition, airline travel incurred as a Fund expense for Adviser personnel traveling for appropriate Fund-related purposes (including, without limitations, travel related to a portfolio company, a prospective portfolio company or other Fund-related matter) may benefit such Adviser personnel to the extent the trip also serves a personal purpose.

The Adviser has, and may, in its discretion, cause a Fund and/or its portfolio companies to have ongoing business dealings, arrangements or agreements with persons who are former employees or executives of the Adviser. The Funds and/or its portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between the Adviser and the Funds (or its portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons (to either maintain an ongoing business relationship or to benefit from the individual’s network) even if a better price and/or quality of service could be obtained from another person.

Item 12. Brokerage Practices

The Adviser anticipates that it will utilize brokers for certain Fund transactions. To meet its fiduciary duty to the Funds, the Adviser maintains policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded Digital Assets and/or securities.

Given its focus on cryptocurrencies and blockchain investments, Multicoïn’s best execution policy is to apply its obligation to secure best execution beyond traditional registered broker dealers, to Trading Platforms (including centralized platforms and OTC counterparties) and other trading counterparties (collectively, “**Counterparties**” and individually “**Counterparty**”). For the avoidance of doubt, Multicoïn will also review traditional registered broker dealers and counterparties with whom it enters into securities or commodity interest transactions and includes such parties in the definition of Counterparties.

Best Execution of Purchases or Sales Through a Broker-Dealer

As part of the Adviser’s fiduciary duty to the Funds, the Adviser will seek “best execution” of

the transaction. “Best execution” means considering the total cost (in purchasing a security) or total proceeds (in selling a security) taking into account the circumstances of the transaction and the reputability and reliability of the executing Counterparty. Best execution is not limited solely to the consideration of the best available commission rate.

In determining whether a particular Counterparty is likely to provide best execution in a particular transaction, the Adviser's investment team takes into account all factors that it deems relevant to the Counterparty's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission (or the cost for the transaction), the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the Counterparty and the quality of service rendered by the Counterparty in other transactions. In addition, the Adviser may consider the use of Electronic Communications Networks (ECNs) when placing trades on behalf of the Funds. When purchasing or selling over-the-counter securities with market makers, the Adviser's generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Adviser's investment team, in consultation with the Adviser's CCO, periodically monitors Counterparties to assess the quality of execution of the transactions effected on behalf of the Adviser and each Fund.

Block Orders and Trade Aggregation

In pursuing the Funds' investment objectives, the Adviser may aggregate (or bunch) the orders of more than one Fund for the purchase or sale of the same publicly traded security or Digital Asset. The Adviser may combine orders on behalf of the Funds with orders for other Funds for which it has trading authority, or in which it has an economic interest.

If the Adviser aggregates trade orders, the Adviser will generally allocate the trade such that each participating Fund will receive the average price for each execution of a transaction. While the Adviser from time to time receives research from broker-dealers, the Adviser does not have any “soft dollar” arrangements in place (i.e., arrangements whereby the Adviser pays a higher commission to execute a trade than the lower available negotiated commission, using a portion of the commission to obtain brokerage and research services).

Trade Errors

Trade errors and similar human errors involving transactions in accounts directly or indirectly held by the Funds or any Investment contract (e.g., SAFTs) or other similar agreement of the Funds may occur. Such errors may include, for example, (i) the placement of orders (either purchases or sales) in excess of, or less than, the amount of Investments the account intended to trade; (ii) the sale of an Investment when it should have been purchased; (iii) the purchase of an Investment when it should have been sold; (iv) the purchase or sale of the wrong Investment; (v) the purchase or sale of an Investment contrary to regulatory restrictions or investment guidelines or restrictions of the account; (vi) incorrect allocations of trades between a Fund and any other Fund that does not trade *pari passu* with the account; (vii) keystroke errors that occur when entering trades into an electronic trading system; and (viii) typographical or drafting errors. Such

errors may result in losses or gains. The Adviser generally seeks to detect such errors prior to settlement and promptly correct and/or mitigate them. To the extent an error is caused by a Counterparty, the Adviser seeks to recover any losses associated with such error from the Counterparty.

Pursuant to the exculpation and indemnification provided by the Funds to the Adviser and its affiliates and personnel, the Adviser and its affiliates and personnel are generally not liable to the Funds for any act or omission, absent bad faith, gross negligence, willful misconduct or actual fraud of such person, and the Funds are generally required to indemnify such persons against any losses they may incur by reason of any act or omission related to the Funds, absent bad faith, gross negligence, willful misconduct or actual fraud of such person. As a result of these provisions, the Funds (and not the Adviser) benefit from any gains resulting from trade errors and similar human errors and are responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent bad faith, gross negligence, willful misconduct or actual fraud of the relevant person. The Adviser reimburses the Funds for losses for which the Adviser is responsible under the applicable Organizational Documents' exculpation provisions. Given the potentially large volume of transactions executed by the Adviser on behalf of the Funds, investors should assume that trade errors and similar human errors occur and that, to the extent permitted by applicable law and under the Funds' Documents, the Funds are responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence) of the Adviser's personnel.

Item 13. Review of Accounts

Oversight and Monitoring

The Adviser closely monitors the Funds' investments. The Funds' accounts are continuously reviewed on an ad hoc basis and are formally reviewed by Managing Partners as necessary. In addition, on a monthly basis at least one Managing Partner, the CFO, the GC/CCO, and certain employees from the operations and legal teams review client accounts, reviewing factors such as the investment mandate, investment restrictions, investment decisions, position sizes, liquidity, trade allocation, counterparties used, trade errors, redemptions, and certain portfolio risk metrics.

Reporting

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of such Fund. Investors in each hedge fund style Fund typically receive monthly performance reports within 30 days after each fiscal month end. Investors in each venture capital style Fund typically receive quarterly performance reports within 45 days after each fiscal quarter end. The Adviser and the applicable general partner, if any, from time to time, in their sole discretion, provide additional information relating to such Funds to one or more investors in such Funds as they deem appropriate.

Item 14. Client Referrals and Other Compensation

The Adviser has engaged and may from time to time engage one or more persons to act as a

placement agent for the Funds in connection with the offer and sale of interests to certain potential investors. Such persons generally receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to the Funds that are subsequently accepted. The Funds may, subject to any limitations set forth in their Organizational Documents, reimburse such fees. For example, Multicoin Venture Fund II, LP bore certain placement expenses in accordance with its organization; however, placement fees paid in respect of the hedge fund style Fund are borne by the Adviser and general partner of such Fund.

Item 15. Custody

The Adviser is subject to Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called “Pooled Vehicle Annual Audit Exception,” which, among other things, requires that each Fund be subject to an audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

Item 16. Investment Discretion

Discretionary investment advice is provided directly to the Funds, subject to the direction and control of the general partner of each Fund, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Organizational Documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Organizational Documents of the applicable Fund.

Item 17. Voting Client Securities

The Adviser has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that will serve the applicable Fund’s best interests and is in line with each Fund’s investment objectives.

The Adviser may take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- (a) the impact on the value of the securities;
- (b) the anticipated associated costs and benefits associated with the proposal;
- (c) the effect on liquidity; and
- (d) customary industry and business practices.

The Adviser may refrain from voting Proxies where it believes that voting would be inappropriate, taking into consideration the cost of voting the Proxies, regulatory risks and the

anticipated benefit to its clients.

Conflicts of interest may arise between the interests of clients, on the one hand, and the Adviser or its affiliates, on the other hand. If the Adviser determines that it may have, or be perceived to have, a conflict of interest when voting Proxies, the Adviser will vote in accordance with its Proxy voting policies and procedures.

Item 18. Financial Information

This Item is not applicable to the Adviser.

Item 19. Requirements for State-Registered Advisers

This Item is not applicable to the Adviser.